

B 25C (Official Form 25C) (12/08)

UNITED STATES BANKRUPTCY COURT

Eastern District of Tennessee

In re Southern Erosion Company,
Debtor

Case No. 09-10182

Small Business Case under Chapter 11

SMALL BUSINESS MONTHLY OPERATING REPORT

Month: March 2010

Date filed: _____

Line of Business: Erosion

NAISC Code: 561730

IN ACCORDANCE WITH TITLE 28, SECTION 1746, OF THE UNITED STATES CODE, I DECLARE UNDER PENALTY OF PERJURY THAT I HAVE EXAMINED THE FOLLOWING SMALL BUSINESS MONTHLY OPERATING REPORT AND THE ACCOMPANYING ATTACHMENTS AND, TO THE BEST OF MY KNOWLEDGE, THESE DOCUMENTS ARE TRUE, CORRECT AND COMPLETE.

RESPONSIBLE PARTY:

/s/ Jo Ann Reece

Original Signature of Responsible Party

Jo Ann Reece

Printed Name of Responsible Party

Questionnaire: *(All questions to be answered on behalf of the debtor.)*

Yes No

- | | | |
|---|-------------------------------------|-------------------------------------|
| 1. IS THE BUSINESS STILL OPERATING? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 2. HAVE YOU PAID ALL YOUR BILLS ON TIME THIS MONTH? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 3. DID YOU PAY YOUR EMPLOYEES ON TIME? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 4. HAVE YOU DEPOSITED ALL THE RECEIPTS FOR YOUR BUSINESS INTO THE DIP ACCOUNT THIS MONTH? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 5. HAVE YOU FILED ALL OF YOUR TAX RETURNS AND PAID ALL OF YOUR TAXES THIS MONTH? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 6. HAVE YOU TIMELY FILED ALL OTHER REQUIRED GOVERNMENT FILINGS? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 7. HAVE YOU PAID ALL OF YOUR INSURANCE PREMIUMS THIS MONTH? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 8. DO YOU PLAN TO CONTINUE TO OPERATE THE BUSINESS NEXT MONTH? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 9. ARE YOU CURRENT ON YOUR QUARTERLY FEE PAYMENT TO THE U.S. TRUSTEE? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 10. HAVE YOU PAID ANYTHING TO YOUR ATTORNEY OR OTHER PROFESSIONALS THIS MONTH? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 11. DID YOU HAVE ANY UNUSUAL OR SIGNIFICANT UNANTICIPATED EXPENSES THIS MONTH? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 12. HAS THE BUSINESS SOLD ANY GOODS OR PROVIDED SERVICES OR TRANSFERRED ANY ASSETS TO ANY BUSINESS RELATED TO THE DIP IN ANY WAY? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 13. DO YOU HAVE ANY BANK ACCOUNTS OPEN OTHER THAN THE DIP ACCOUNT? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

B 25C (Official Form 25C) (12/08)

- | | | |
|---|--------------------------|-------------------------------------|
| 14. HAVE YOU SOLD ANY ASSETS OTHER THAN INVENTORY THIS MONTH? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 15. DID ANY INSURANCE COMPANY CANCEL YOUR POLICY THIS MONTH? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 16. HAVE YOU BORROWED MONEY FROM ANYONE THIS MONTH? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 17. HAS ANYONE MADE AN INVESTMENT IN YOUR BUSINESS THIS MONTH? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 18. HAVE YOU PAID ANY BILLS YOU OWED BEFORE YOU FILED BANKRUPTCY? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

TAXES

DO YOU HAVE ANY PAST DUE TAX RETURNS OR PAST DUE POST-PETITION TAX OBLIGATIONS? ☐ ☒

IF YES, PLEASE PROVIDE A WRITTEN EXPLANATION INCLUDING WHEN SUCH RETURNS WILL BE FILED, OR WHEN SUCH PAYMENTS WILL BE MADE AND THE SOURCE OF THE FUNDS FOR THE PAYMENT.

(Exhibit A)

INCOME

PLEASE SEPARATELY LIST ALL OF THE INCOME YOU RECEIVED FOR THE MONTH. THE LIST SHOULD INCLUDE ALL INCOME FROM CASH AND CREDIT TRANSACTIONS. (THE U.S. TRUSTEE MAY WAIVE THIS REQUIREMENT.)

TOTAL INCOME \$ 0.00

SUMMARY OF CASH ON HAND

Cash on Hand at Start of Month \$ 268.00

Cash on Hand at End of Month \$ 68.00

PLEASE PROVIDE THE TOTAL AMOUNT OF CASH CURRENTLY AVAILABLE TO YOU **TOTAL** \$ 68.00

(Exhibit B)

EXPENSES

PLEASE SEPARATELY LIST ALL EXPENSES PAID BY CASH OR BY CHECK FROM YOUR BANK ACCOUNTS THIS MONTH. INCLUDE THE DATE PAID, WHO WAS PAID THE MONEY, THE PURPOSE AND THE AMOUNT. (THE U.S. TRUSTEE MAY WAIVE THIS REQUIREMENT.)

TOTAL EXPENSES \$ 200.00

(Exhibit C)

CASH PROFIT

INCOME FOR THE MONTH (TOTAL FROM EXHIBIT B) \$ 0.00

EXPENSES FOR THE MONTH (TOTAL FROM EXHIBIT C) \$ 200.00

(Subtract Line C from Line B) **CASH PROFIT FOR THE MONTH** \$ -200.00

B 25C (Official Form 25C) (12/08)

UNPAID BILLS

PLEASE ATTACH A LIST OF ALL DEBTS (INCLUDING TAXES) WHICH YOU HAVE INCURRED SINCE THE DATE YOU FILED BANKRUPTCY BUT HAVE NOT PAID. THE LIST MUST INCLUDE THE DATE THE DEBT WAS INCURRED, WHO IS OWED THE MONEY, THE PURPOSE OF THE DEBT AND WHEN THE DEBT IS DUE. *(THE U.S. TRUSTEE MAY WAIVE THIS REQUIREMENT.)*

TOTAL PAYABLES \$ 980.73

(Exhibit D)

MONEY OWED TO YOU

PLEASE ATTACH A LIST OF ALL AMOUNTS OWED TO YOU BY YOUR CUSTOMERS FOR WORK YOU HAVE DONE OR THE MERCHANDISE YOU HAVE SOLD. YOU SHOULD INCLUDE WHO OWES YOU MONEY, HOW MUCH IS OWED AND WHEN IS PAYMENT DUE. *(THE U.S. TRUSTEE MAY WAIVE THIS REQUIREMENT.)*

TOTAL RECEIVABLES \$ 250,000.00

(Exhibit E)

BANKING INFORMATION

PLEASE ATTACH A COPY OF YOUR LATEST BANK STATEMENT FOR EVERY ACCOUNT YOU HAVE AS OF THE DATE OF THIS FINANCIAL REPORT OR HAD DURING THE PERIOD COVERED BY THIS REPORT.

(Exhibit F)

EMPLOYEES

NUMBER OF EMPLOYEES WHEN THE CASE WAS FILED?	<u>0</u>
NUMBER OF EMPLOYEES AS OF THE DATE OF THIS MONTHLY REPORT?	<u>0</u>

PROFESSIONAL FEES

BANKRUPTCY RELATED:

PROFESSIONAL FEES RELATING TO THE BANKRUPTCY CASE PAID DURING THIS REPORTING PERIOD? \$ 0.00

TOTAL PROFESSIONAL FEES RELATING TO THE BANKRUPTCY CASE PAID SINCE THE FILING OF THE CASE? \$ 0.00

NON-BANKRUPTCY RELATED:

PROFESSIONAL FEES NOT RELATING TO THE BANKRUPTCY CASE PAID DURING THIS REPORTING PERIOD? \$ 0.00

TOTAL PROFESSIONAL FEES NOT RELATING TO THE BANKRUPTCY CASE PAID SINCE THE FILING OF THE CASE? \$ 0.00

B 25C (Official Form 25C) (12/08)

PROJECTIONS

COMPARE YOUR ACTUAL INCOME AND EXPENSES TO THE PROJECTIONS FOR THE FIRST 180 DAYS OF YOUR CASE PROVIDED AT THE INITIAL DEBTOR INTERVIEW.

	Projected	Actual	Difference
INCOME	\$ 0.00	\$ 0.00	\$ 0.00
EXPENSES	\$ 0.00	\$ 200.00	\$ 200.00
CASH PROFIT	\$ 0.00	\$ 0.00	\$ -200.00

TOTAL PROJECTED INCOME FOR THE NEXT MONTH:	\$ 0.00
TOTAL PROJECTED EXPENSES FOR THE NEXT MONTH:	\$ 0.00
TOTAL PROJECTED CASH PROFIT FOR THE NEXT MONTH:	\$ 0.00

ADDITIONAL INFORMATION

PLEASE ATTACH ALL FINANCIAL REPORTS INCLUDING AN INCOME STATEMENT AND BALANCE SHEET WHICH YOU PREPARE INTERNALLY.

CASE NUMBER: 09-10182 MONTH ENDED: March 2010

Desc Main

Bank Accounts

	<u>Operating</u>	<u>Petty Cash</u>	<u>Total</u>
Name of Bank	Southeast Bank	Office	
Account #	6708	N/A	
Beginning book balance	268.00	0.00	268.00
Add: Deposits *	0.00	0.00	0.00
Voided checks			
Transfers in **	0.00	0.00	0.00
Less: Disbursements ***	200.00	0.00	200.00
Transfers out **	<u>0.00</u>	<u>0.00</u>	0.00
Ending book balance	<u>68.00</u>	<u>0.00</u>	<u>68.00</u>
Balance of Cash on Date This Report was Filed ("Cash Currently Available" - Form 25C	<u>0.00</u>	<u>0.00</u>	0.00

ATTACH LIST OF INCOME RECEIVED DURING MONTH BY CATEGORY AND AMOUNT.

USE TRANSFER LINE ONLY FOR TRANSFERS BETWEEN DEBTOR'S BANK ACCOUNTS. TRANSFERS IN SHOULD EQUAL TRANSFERS OUT.

*** ATTACH COPY OF CASH DISBURSEMENTS JOURNAL OR OTHER RECORD SHOWING DATE, PAYEE, PURPOSE AND AMOUNT FOR ALL CASH OR CHECK DISBURSEMENTS.

CASE NAME: Southern Erosion Company, Inc.

UNPAID BILLS - POST PETITION (Form 25C)

EXHIBIT D
REV 2/09

CASE NUMBER: 09-10182

MONTH ENDED: March 2010

	PURPOSE	DATE INCURRED	DATE DUE	TOTAL AMOUNT DUE	0-30 DAYS	31-60 DAYS	61-90 DAYS	OVER 90 DAYS
TAXES PAYABLE:								
Payroll tax				0.00	0.00			
[Total paid during current period _____ attach copies of deposit receipts]								
Sales tax				0.00	0.00			
Property tax				0.00	0.00			
POSTPETITION SECURED DEBT				0.00	0.00			
POSTPETITION UNSECURED DEBT				0.00	0.00			
ACCRUED INTEREST PAYABLE				0.00	0.00			
TRADE ACCOUNTS PAYABLE & OTHER (Itemize):								
US Trustee Quarterly Fees				980.73	980.73			
TOTALS				980.73	980.73	0.00	0.00	0.00



Ooltewah
423-238-4403

Spring City
423-365-0221

Ten Mile
423-334-1122

SOUTHERN EROSION COMPANY INC
3263 TERRACE AVE
CLEVELAND TN 37312

Date 3/31/10 Page 1
Account Number 6708
Enclosures 1

NOTICE Deposits are generally available to withdraw the next business day. Deposits by check may not be available until the 2nd business day or in some cases until the 7th business day. We will notify you if we delay availability.

---- CHECKING ACCOUNTS ----

SMALL BUSINESS CHECKING		Number of Enclosures	1
Account Number	6708	Statement Dates	3/01/10 thru 3/31/10
Previous Balance	268.00	Days in the statement period	31
Deposits/Credits	.00	Average Ledger	209
1 Checks/Debits	200.00	Average Collected	209
Service Charge	.00		
Interest Paid	.00		
Ending Balance	68.00		

Checks in Serial Number Order
DATE NUMBER AMOUNT
3/23 200.00
*Indicates Skip in Check Number

SOUTHEAST BANK & TRUST
WHERE YOU ALWAYS GET SOMETHING EXTRA!
VISIT US ONLINE AT WWW.SOUTHEASTBANK.NET



67-878/8-1

Pay to the order of Jeffrey Reece Date Mar 23, 2010 \$ 200.00

Two Hundred + 00/100 Dollars

SouthEast BANK & TRUST
MEMBER FDIC
1016708

DOCUMENT Drawer: 701 3/23/10
Transfer: 35 13:17:11

For Admin Fee 200.00

6708

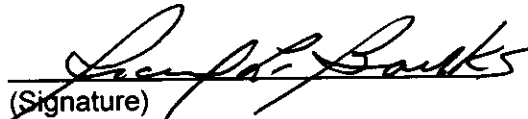
Ck# 0 Date 3/23/2010 Amt \$200.00

|||

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing Small Business Monthly Operating Report (Form 25C) was sent by U. S. Mail properly addressed and with correct postage to the persons or offices listed below.

Done this 27 day of April, 2010.


(Signature)
Richard L. Banks
(Printed name)
620 Church Street
(Street address)
Cleveland, TN 37311
(City, state, zip)
(423) 479-4188
(Telephone)

[CASES WITH DEBT TO IRS]

Internal Revenue Service
SB/SE - Insolvency
801 Broadway, MDP 146
Nashville, TN 37203

[CASES WITH CREDITORS COMMITTEE]

Members of Creditors Committee
(list names and addresses)